Rosetta Stone has prepared the following supplemental information regarding the results for the first quarter ended March 31, 2020, to provide shareholders and analysts more detail to help understand and analyze our results in conjunction with our earnings release, conference call and supplemental earnings slides. **This supplemental information will not be read on the conference call.**

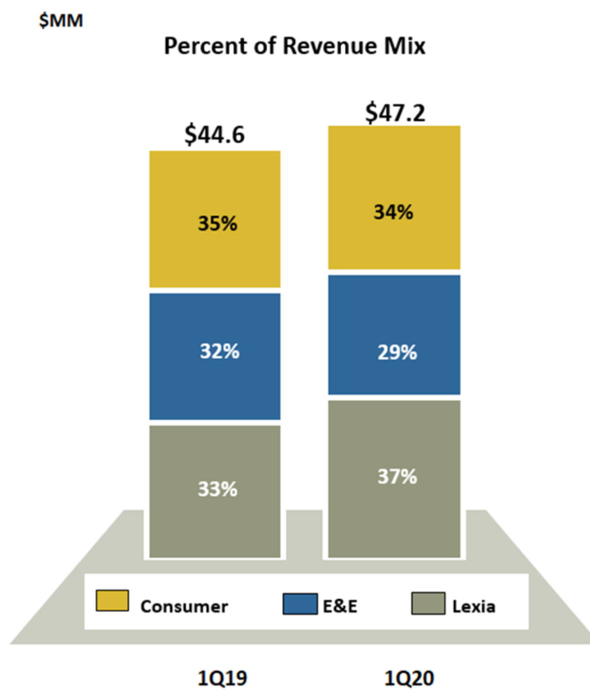
The conference call will begin at 5:00 p.m. ET on Wednesday, May 6, 2020, and will include brief opening comments followed by questions and answers. Investors may dial into the live conference call using 1-201-689-8470 (toll/international) or 1-877-407-9039 (toll-free). A live webcast will also be available in the investor relations section of the Company's website at http://investors.rosettastone.com. A replay will be made available soon after the live conference call is completed and will remain available until 11:59 p.m. ET on Wednesday, May 13, 2020. Investors may dial into the replay using 1-412-317-6671 and passcode 13701431.

Please see the section "Definition of Non-GAAP Financial Measures" at the end of this document for an explanation of what our non-GAAP financial measures are and how they are computed.

Q1 2020 Revenue

Total revenue in first quarter 2020 grew $2.6 million or 6% to $47.2 million, compared to $44.6 million in first quarter 2019.

- The Literacy segment had a strong quarter with revenue increasing $2.7 million (18%) year-over-year, reflecting consistently strong retention and renewal rates of 88% and 103%, respectively, in Q1. Bookings increased year-over-year to $5.5 million, up 22%.
- Consumer Language segment revenue increased by $0.8 million (5%) year over year, reflecting strong bookings and the benefit of previously deferred subscription revenue. Consumer Language bookings totaled $22.6 million in Q1 2020, an increase of 42% over prior year Q1.



- Education and Enterprise ("E&E") Language segment revenue declined $0.9 million (6%) year-over-year due to lower Enterprise bookings. E&E Language bookings decreased $2.1 million (28%) year-over-year, driven entirely by the Enterprise portion of this segment. Included in the Enterprise decline was a $0.6 million impact for a sale from last year which the customer canceled this quarter. K12 Education Language bookings were flat year over year.

Q1 2020 Net Loss

The Company reported a Q1 2020 net loss of $6.2 million, or $(0.26) per diluted share, compared to a net loss of $0.5 million, or $(0.02) per diluted share, in the year-ago period. The absence of non-recurring items recognized in the prior year for a $1.4 million gain on sale of idle assets and a $0.6 million tax benefit from Virginia's adoption of the 2017 Tax Reform accounted for 35% of the year-over-year decline. Bookings increases will not translate into revenue immediately, since much of the Consumer bookings growth has been in 24-month and lifetime subscriptions, which are recognized as revenue over 24-months. Increased operating expenses across all categories in conjunction with higher revenue being offset by an increase in the cost of revenue also contributed to the year-over-year decline. The increase in cost of revenue was primarily due to an increase of $1.2 million from investments in the customer support and operations teams and approximately $0.9 million higher non-cash amortization of previously capitalized product development costs. Investment in sales and marketing is driven by increased Consumer media in support of Q1 bookings growth. Consumer LTV-to-CAC ratio of 2.0 improved sequentially from 1.8 in Q4 2019. Literacy sales and marketing also increased compared to Q1 2019, the result of continued investment to support year over year bookings growth.

Annualized Recurring Revenue

Q1 2020 ARR Performance Metrics

	Q1 2019	Q1 2020
Literacy	$51.7MM	$60.1MM
E&E Language	$55.0MM	$54.5MM

Annualized Recurring Revenue – or "ARR" – which is computed using the annualized value of subscriptions at the end of the period, separate from services like training and implementation. ARR is a performance metric used to assess the health and trajectory of our E&E Language and Literacy segments, which we believe cuts through the differences in the types of licenses and deal sizes in our businesses and aids in understanding our segment results. We present ARR as a statistical measure rather than a non-GAAP financial measure. ARR should be viewed independently of revenue and deferred revenue – as ARR is a performance metric and is not intended to be combined with either of these items.

ARR for the Literacy segment at March 31, 2020, was up $8.4 million (16%) year-over-year to $60.1 million. Growth in this business continues to be driven by strong retention and renewal rates and new bookings from its direct salesforce. E&E Language segment ARR was down $0.5 million (1%) year-over-year to $54.5 million.

Q1 2020 Segment Contribution

Literacy segment contribution was $2.8 million (or 16% of segment revenue), compared to $3.0 million (or 20% of segment revenue) in the year-ago period. Although Literacy had comparatively higher revenue from the year ago quarter, this was offset by higher cost of goods sold (up 19% to $2.9 million) driven by investment in customer support staff, higher sales and marketing, a result of increases in sales and sales support (up 16% to $8.0 million), and research and development expense (up 57% to $3.1 million). Note that, on a cash basis, the higher R&D expense running through the income statement was partially offset by lower capitalized R&D, due to the nature of the development work being performed in 2020.

One note of clarification about the segment contribution data for the E&E Language segment, the Consumer Language segment and the two Language segments combined. Language Research & Development (R&D) expense is a shared service cost that is not allocated to either Language segment, but *is* included in combined Language – therefore, it is the combined Language view that is comparable to the Lexia segment contribution.

The combined Language segments contribution was $5.2 million (18% of the total combined Language segment revenue), a decline compared to the prior year period which was $7.0 million (23% of the total combined Language segment revenue).

The E&E Language segment contribution margin **before shared Language R&D expense** was $5.5 million (or 41% of segment revenue), which was down compared to $6.1 million (or 42% of segment revenue) in the year-ago period. This performance was primarily driven by a decline in revenue of $0.9 million compounded by an increase in cost of goods sold of $0.8 million associated with increases in support headcount, which was more than offset by a decrease in sales and marketing expense of $1.0 million associated with payroll and benefits expense (down 19%) and lower commissions (down 17%).

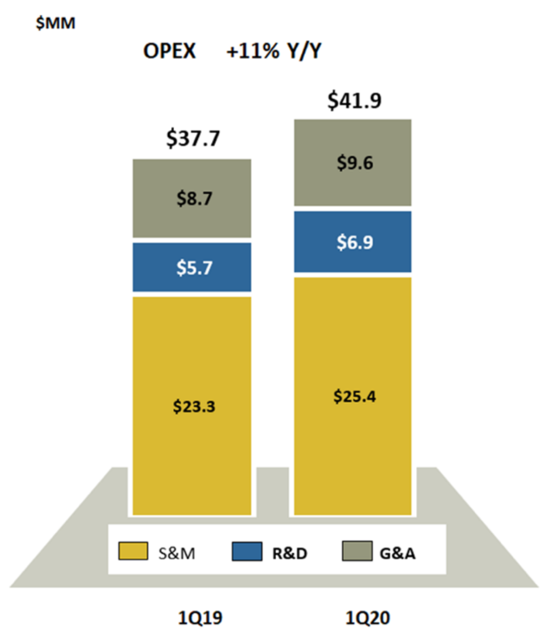
Consumer Language segment contribution margin **before shared Language R&D expense** was $2.9 million (or 18% of segment revenue), which was down $1.6 million from $4.5 million (or 30% of segment revenue) in the year-ago period. The decrease was primarily related to higher revenues being more than offset by increases in media spending (up 37% to $5.2 million) during the quarter. Consumer revenue will lag the increase in Q1 bookings as much of the increase in bookings has a longer revenue recognition time horizon.

Consolidated gross margin in dollars was essentially flat at $36.1 million in Q1 2020. However, in percentage terms it was 76% in Q1 2020, down from 81% in Q1 2019 but relatively flat sequentially to Q4 2019, which was 77%. The reason for the decline year over year was due to an increase in revenue of $2.6 million offset by increased expenses. Expense increases included $1.2 million in payroll and benefits resulting from headcount changes in the customer support and operations teams and approximately $0.9 million higher non-cash amortization of previously capitalized product development costs.

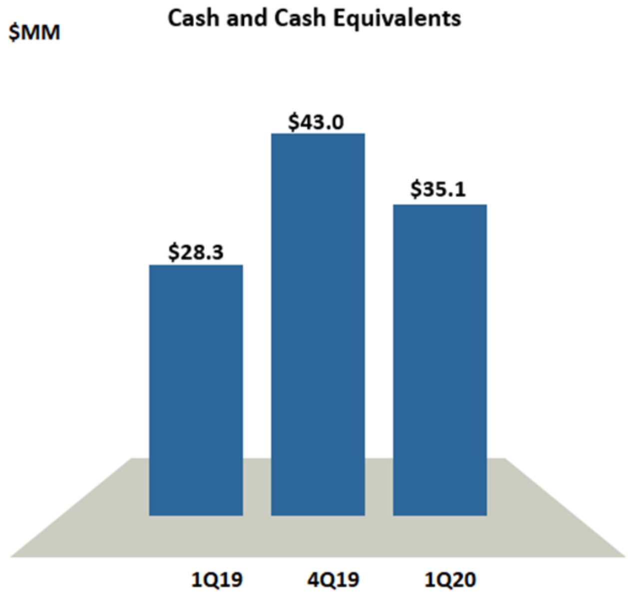
Lifetime Value ("LTV") added was $17.7 million in Q1 2020, an increase of $3.5 million from the year-ago period. The year-over-year increase reflects the momentum from a strong Q4 2019 carried over into the first quarter. Note that Consumer LTV per unit in Q1 2020 was $159 compared to $153 in Q1 2019, and up sequentially as well, compared to $157 LTV per unit sold in Q4 2019.

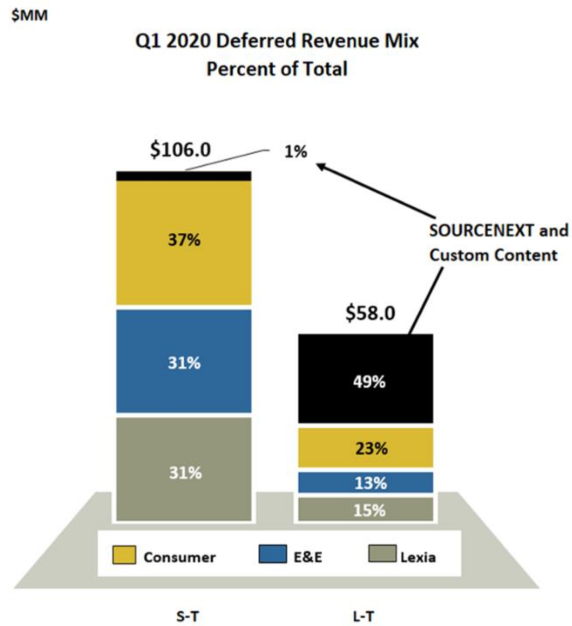
Q1 2020 Operating Expenses

Total operating expenses increased $4.2 million (11%) year-over-year to $41.9 million in the first quarter 2020 driven by higher sales and marketing expenses and research and development expenses as we continued to invest in the growth of the business.



Q1 2020 Selected Balance Sheet Data

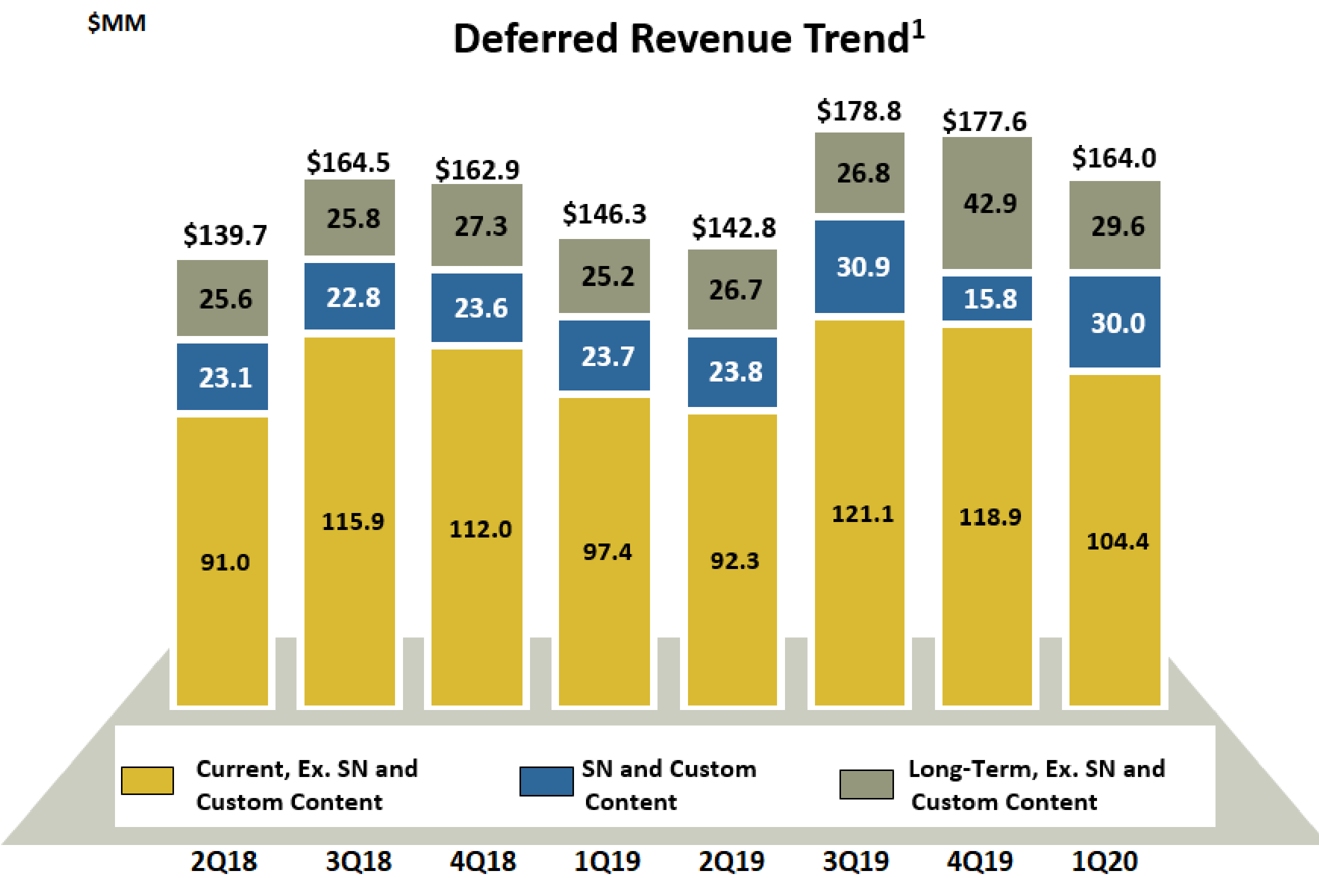




Deferred revenue totaled $164.0 million at March 31, 2020, down seasonally from $177.6 million at December 31, 2019. Of the March 31, 2020 total deferred revenue balance, $106.0 million (or approximately 65%), was short-term and will be recognized as revenue over the next 12 months. Excluding SOURCENEXT and non-core custom content, short-term deferred revenue at March 31, 2020 was approximately 78% of total deferred revenue.

The chart above depicts the Q1 2020 deferred revenue balance by the segment components, with separate disclosure of the SOURCENEXT and non-core custom content components within the Consumer Language and E&E Language segments, respectively. Note that the vast majority of the cash received to date from our 2017 long-term royalty agreement with SOURCENEXT was recorded as deferred revenue, with nearly all of that classified as noncurrent as it is being recognized over 20 years.

The following chart depicts the 8-quarter trend in deferred revenue, with the separation of short-term, long-term and the amounts that were attributable to the SOURCENEXT transaction and non-core custom content transactions.



[1] The vast majority of SOURCENEXT deferred revenue is long-term and is being recognzied as revenue over 20 years.

As of March 31, 2020, the Company had $35.1 million of cash and cash equivalents and no debt outstanding. The ending cash balance was up approximately $6.8 million compared to the year-ago period, and down $7.9 million sequentially from December 31, 2019.

Non-GAAP Financial Measures

The reconciliation of the GAAP metrics to the non-GAAP financial measures can be found at the end of this document. Adjusted EBITDA was $1.2 million, compared to Adjusted EBITDA of $3.3 million in the year-ago period.

Net cash used by operating activities this past quarter was $3.5 million, compared to net cash used by operating activities of $6.6 million in Q1 2019. Capital expenditures, which primarily relate to capitalized labor on product and IT projects, totaled $3.8 million, a decrease from $4.7 million in Q1 2019. Lexia drove the majority of the decrease in capital expenditures year-over-year, a result of more R&D being expensed in the P&L reflecting several large product updates in 2019. Free cash flow was an outflow of $7.3 million, compared to an outflow of $11.3 million in the year-ago period.

Financial Outlook - Full Year 2020

There are a number of factors impacting the Company's ability to provide guidance, almost all of which are related to COVID-19. Since March, forecasting the business through this time has become more uncertain. Consequently, unlike many others, while we are continuing to provide guidance, we have introduced or broadened existing guidance ranges to better take into account the additional uncertainties we are seeing, in some cases to the upside.

Before walking through the factors impacting each segment, it is important to reiterate a few things that benefit us across the company during this unprecedented time.

First, we were able to quickly move all of our employees to working from home. We did this in the middle of March and the team has adjusted exceptionally well.

Secondly, all of our products can be sold, delivered and used remotely, including from home, with full support for both the learner and their teacher in K-12, or their administrator in K-12 or Enterprise. These aspects help us tremendously right now. These are the key aspects we see influencing each segment this year.

The risks in K-12 include the fact that we expect creating new bookings from new customers will be more difficult this year, as schools and districts deal with disruption and focus on solutions already in place and the expectation that budgets could be cut in the future. And while we expect renewals to be strong, payment in some cases may be delayed. We saw this in the first quarter as schools dealt with adapting to working from home.

On the positive side, we expect our underlying renewal rate when the year is complete, will again be strong as customers lean into what they know. We also believe there is significant opportunity for growth within this existing customer base, especially as schools look to broaden their contingency planning options in the event school closures continue into the Fall. In some cases we anticipate this will be supported by the relationships and goodwill we have built through our Learn From Home program. It may also be helped by the incremental funding provided by the Federal Government through the CARES Act. Overall, we are fortunate to have a broad customer base and the marketing, sales and customer success organizations to support them in a time when scale and a large installed base matters.

Finally, we also expect Texas will be a positive for us this year. In some cases, because Texas is an eight year adoption, this will include multi-year deals that are paid upfront. While this will support bookings and cash in 2020, the impact of multi-year deals on revenues will be smaller.

In Enterprise Language, we believe our offering, because of the efficiency of our blend of software and online tutoring, is well positioned in a relative sense to those companies that focus on offline tutoring solutions. That said, the severe economic recession we are already in will hurt our Enterprise business in the interim. Like most other business service offerings, Enterprise Language will be affected by the disruption impacting organizations globally. We expect this will depress both new and renewal sales.

In Consumer Language, the underlying risk is an economic downturn that is prolonged, and which causes consumer discretionary spending to decrease meaningfully. In addition, on a GAAP basis, the success of our Lifetime product has meant that relatively less of the bookings we realize in 2020 will be recorded as revenues within the year. Lifetime revenues not recognized this year, will have a positive effect on 2021 and 2022 revenues.

On the positive side, and there are a number of things that make us optimistic, the amount of execution work that we have done to position the Consumer business in a place where we can once again play offense was largely complete late last year. We saw terrific acceleration in the business in Q4 and that continued in Q1; this impact was being felt even before the effects of COVID-19 in the U.S. In addition, the strength of our brand is an asset that we have been better leveraging which enables us to be more top-of-mind for consumers. Our 97% brand awareness is an asset that has been helpful for our business as consumers look for activities to occupy their time. In addition, since we have been extremely efficient on faster marketing payback channels, we can better manage our variable costs which are especially important in a challenging macroeconomic cycle. In the meantime, we continue to benefit from consumers' desire to learn a language from home and the improved value we are providing through products like our Unlimited Lifetime offering.

On balance, we remain optimistic about the outlook in 2020 for Literacy and the K-12 portion of our E&E segment, as well as Consumer Language.

For 2020, we are now guiding to consolidated revenue growth of 2% to 6%, or approximately $186 to $194 million, through a combination of 10% to 15% revenue growth in Literacy on expected bookings growth of 18% to 25%, 6% to 9% revenue growth in Consumer on bookings growth of 13% to 17% and -7% to -12% decline in revenues for E&E on a larger expected decrease in Enterprise bookings due to expected vulnerability from the COVID-19 pandemic.

Our outlook for 18% to 25% bookings growth in Literacy is driven by expected strong renewal rates from existing customers, a significant growth opportunity within the existing customer base and the potential for multi-year deals within the Texas market. This outlook has a bit wider of a range than our prior guidance, in part because while we expect there may be good opportunity for growth with existing customers, we don't yet know what the impact, if any, from disruption and distraction related to COVID-19 will be on new customer growth overall as disruptions faced by schools and districts may lead many to focus on solutions already in place.

Included in Literacy segment guidance is the continued expectation of a little less than $2 million in bookings from Rosetta Stone English, all of which is expected to come in the second half of the year after its commercial release. A good part of this in 2020 is expected to come from renewals of existing E&E segment Rosetta Stone K-12 language customers.

We expect over 75% of total Literacy bookings and most of the Literacy bookings growth to occur in the second half of the year.

Consumer revenue in 2020 is now expected to be in the range of $67 million to $69 million, slightly higher than we previously guided due to the strong performance in the first quarter and with higher than anticipated bookings growth this year. The significant increase in bookings is expected to be driven by the longer-term and Lifetime subscriptions, which have a longer horizon for revenue realization from the time of booking and so would not translate one-to-one into revenue in 2020, but will benefit revenue into 2021.

We continue to expect a decline in E&E bookings due to negative impacts in the Enterprise portion of the segment related to the COVID-19 pandemic. This would include $5 million from lower expected bookings from custom content projects - remember we had a custom deal of over $7 million in 2019 - and continued declines in our K12 language business, in part as some of its renewal business moves to the Literacy segment with the introduction of Rosetta Stone English.

We expect consolidated gross margin for the full year 2020 to be approximately 76%, down from 80% in 2019. The primary drivers of this is an increase in cost of revenue, due to:

- approximately $3 million higher non-cash amortization of previously capitalized product development costs and
- investment in customer support for our Literacy segment

Turning to profitability, we are improving our guidance for full year net loss to a loss of $22 to $24 million, from our prior guidance of a loss of $25 to $27 million. We are also raising our guidance for full year adjusted EBITDA to approximately $5 to $8 million - up from $3 to $5 million previously - and raising the high end of our guidance for operating cash flow, which is now expected to be $14 to $18 million, up from $14 to $16 million.

The reason why the higher expected profitability we are now guiding to does not fully show up in operating cash flow is due to an assumption that we could see slower collections of accounts receivable, either because we proactively offer our customers more time to pay, or they simply pay slower than normal. This assumption has the effect of offsetting the benefit of actions we have taken to support our cash flow. We continue to expect capital expenditures to be approximately $17 million (63% Literacy, 37% Language) and that we will be approximately cash flow breakeven for the year.

Definitions – Statistical Measures

- Annualized recurring revenue (or "ARR") is computed using the annualized value of active subscription arrangements at the end of the period. ARR is a performance metric used to assess the health and trajectory of our E&E Language and Literacy segments, which we believe aids investors in understanding our segment results. We present ARR as a statistical measure rather than a non-GAAP financial measure. ARR should be viewed independently of revenue and deferred revenue, as ARR is a performance metric and is not intended to be combined with either of these items.
- North America Consumer DTC and Global App Sales LTV per Unit - The Lifetime Value per unit, or LTV per unit, is an operating metric calculated as the combined value of customers' initial purchases plus an estimate of future renewals based on the median renewal rates observed for recent renewals of similar products. The per unit metric is expressed as the weighted average LTV per unit of all products sold during a given period.
- LTV Added is the LTV per unit multiplied by total new unit sales net of returns.
- North America Consumer DTC and Global App Sales CAC - The Customer Acquisition Cost, or CAC, is an operating metric calculated as the sum of Consumer GAAP sales and marketing expenses in a period plus affiliate commission expenses that are classified as cost of goods sold, adjusted to reflect the lifetime app store commissions incurred on the initial app sale plus an estimate of app commission expenses on future renewals.
- CAC per Unit is CAC divided by total new unit sales net of returns for North America DTC and Global App sales.
- The LTV-to-CAC ratio is calculated as LTV per Unit divided by CAC per Unit.
- Net LTV Added is calculated as LTV Added minus CAC.
- Retention is a customer-based metric based on whether a customer was retained from a prior period to the current period. Renewal is an annualized dollar-based metric (of the dollars available to renew) and includes upsells.
- Prior period amounts have been restated to be comparable to the current period methodology. In addition, prior period LTV, CAC Net LTV, retention and renewal metrics presented for a given period may change over time as the most current experience for that period is used to update the calculations of those operating metrics.

Definitions – Non-GAAP Financial Measures

- Bookings represents executed contracts received by the Company that are either recorded immediately as revenue or deferred revenue. Therefore, bookings is an operational metric and in any one period is equal to revenue plus the change in deferred revenue.
- Adjusted EBITDA is GAAP net income/loss plus interest income and expense, other income/expense, income tax benefit/expense, impairment, lease abandonment and termination, depreciation, amortization, stock-based compensation, restructuring, and strategy and cost-reduction related consulting expenses. In addition, Adjusted EBITDA excludes "Other" items related to non-restructuring wind down and severance costs, and transaction and other costs associated with mergers and acquisitions, as well as all adjustments related to recording the non-cash tax valuation allowance for deferred tax assets. Adjusted EBITDA for prior periods has been revised to conform to current definition
- Free cash flow is cash flow from operating activities minus cash used in purchases of property and equipment.
- Segment contribution is calculated as segment revenue less expenses directly incurred by or allocated to the segment. Direct segment expenses include costs and expenses that are directly incurred by or allocated to the segment and include materials costs, service costs, customer care and coaching costs, sales and marketing expenses, and bad debt expense. In addition to the previously referenced expenses, the Literacy segment includes direct research and development expenses and Combined Language includes shared research and development expenses, costs of revenue, sales and marketing, and general and administrative expenses applicable to the Consumer Language and E&E Language segments. Prior periods have been reclassified to reflect our current segment presentation and definition of segment contribution.

Adjusted EBITDA and Free Cash Flow

	Amounts ($000)					
	Quarterly					Quarterly
	1Q19	2Q19	3Q19	4Q19	FY19	1Q20
GAAP net loss	$ (544)	$ (2,807)	$ (2,917)	$ (6,688)	$ (12,956)	$ (6,181)
Total other non-operating expense (income), net	(769)	(429)	146	753	(299)	(34)
Income tax expense (benefit)	(170)	175	(93)	405	317	380
Depreciation and amortization	3,529	3,457	3,938	4,257	15,181	4,420
Stock-based compensation	1,220	1,356	1,412	371	4,359	2,261
Other EBITDA adjustments	53	269	(22)	(8)	292	327
Adjusted EBITDA	$ 3,319	$ 2,021	$ 2,464	$ (910)	$ 6,894	$ 1,173

	Amounts ($000)					
	Quarterly					Quarterly
	1Q19	2Q19	3Q19	4Q19	FY19	1Q20
Net cash (used in)/provided by operating activities	$ (6,567)	$ (14,847)	$ 29,072	$ 9,533	$ 17,191	$ (3,482)
Purchases of property and equipment	(4,714)	(4,995)	(4,011)	(3,046)	(16,766)	(3,786)
Free Cash Flow	$ (11,281)	$ (19,842)	$ 25,061	$ 6,487	$ 425	$ (7,268)

Revenue and Bookings

	Amounts ($000)					
	Quarterly					Quarterly
	1Q19	2Q19	3Q19	4Q19	FY19	1Q20
Revenue						
Literacy	$ 14,806	$ 15,101	$ 15,587	$ 17,131	$ 62,625	$ 17,486
E&E Language						
Enterprise	8,021	7,871	7,819	8,185	31,896	6,985
North America K-12	6,422	6,631	6,255	5,608	24,916	6,567
Total E&E Language	14,443	14,502	14,074	13,793	56,812	13,552
Consumer Language	15,362	16,339	15,795	15,769	63,265	16,141
Total Language	29,805	30,841	29,869	29,562	120,077	29,693
Total Revenue	$ 44,611	$ 45,942	$ 45,456	$ 46,693	$ 182,702	$ 47,179
Bookings						
Literacy	$ 4,511	$ 12,089	$ 40,984	$ 10,843	$ 68,427	$ 5,481
E&E Language						
Enterprise	5,622	7,421	15,397	10,353	38,793	3,499
North America K-12	2,020	7,938	8,798	4,581	23,337	2,037
Total E&E Language	7,642	15,359	24,195	14,934	62,130	5,536
Consumer Language	15,827	15,071	16,278	19,700	66,876	22,550
Less: Adjustment for SOURCENEXT	-	499	-	-	499	-
Subtotal for Consumer, before SOURCENEXT	15,827	14,572	16,278	19,700	66,377	22,550
Subtotal for Language, before SOURCENEXT	23,469	29,931	40,473	34,634	128,507	28,086
Total Bookings, before SOURCENEXT	$ 27,980	$ 42,020	$ 81,457	$ 45,477	$ 196,934	$ 33,567

Reconciliation of Revenue and Bookings

	Amounts ($000)					
	Quarterly					Quarterly
	1Q19	2Q19	3Q19	4Q19	FY19	1Q20
Reconciliation of Revenue to Bookings						
Literacy						
Segment revenue	$ 14,806	$ 15,101	$ 15,587	$ 17,131	$ 62,625	$ 17,486
Segment change in deferred revenue	(10,295)	(3,012)	25,397	(6,288)	5,802	(12,005)
Bookings	$ 4,511	$ 12,089	$ 40,984	$ 10,843	$ 68,427	$ 5,481
E&E Language						
Segment revenue	$ 14,443	$ 14,502	$ 14,074	$ 13,793	$ 56,812	$ 13,552
Segment change in deferred revenue	(6,801)	857	10,121	1,141	5,318	(8,016)
Bookings	$ 7,642	$ 15,359	$ 24,195	$ 14,934	$ 62,130	$ 5,536
Consumer Language						
Segment revenue	$ 15,362	$ 16,339	$ 15,795	$ 15,769	$ 63,265	$ 16,141
Segment change in deferred revenue	465	(1,268)	483	3,931	3,611	6,409
Adjustment for SOURCENEXT	-	(499)	-	-	(499)	-
Bookings, before SOURCENEXT	$ 15,827	$ 14,572	$ 16,278	$ 19,700	$ 66,377	$ 22,550
Total revenue	**$ 44,611**	**$ 45,942**	**$ 45,456**	**$ 46,693**	**$ 182,702**	**$ 47,179**
Change in deferred revenue	(16,631)	(3,423)	36,001	(1,216)	14,731	(13,612)
Adjustment for SOURCENEXT	-	(499)	-	-	(499)	-
Total bookings, before SOURCENEXT	**$ 27,980**	**$ 42,020**	**$ 81,457**	**$ 45,477**	**$ 196,934**	**$ 33,567**

Segment Contribution

	Amounts ($000)					
	Quarterly					Quarterly
	1Q19	2Q19	3Q19	4Q19	FY19	1Q20
Revenue:						
Literacy segment	$ 14,806	$ 15,101	$ 15,587	$ 17,131	$ 62,625	$ 17,486
E&E Language segment	14,443	14,502	14,074	13,793	56,812	13,552
Consumer Language segment	15,362	16,339	15,795	15,769	63,265	16,141
Shared services	-	-	-	-	-	-
Combined Language	29,805	30,841	29,869	29,562	120,077	29,693
Total revenue	$ 44,611	$ 45,942	$ 45,456	$ 46,693	$ 182,702	$ 47,179
Segment contribution						
Literacy segment	$ 3,013	$ 2,371	$ 2,087	$ 2,624	$ 10,095	$ 2,817
E&E Language segment	6,107	5,848	5,679	5,101	22,735	5,498
Consumer Language segment	4,548	3,649	4,093	2,693	14,983	2,910
Shared services	(3,680)	(3,387)	(3,003)	(4,541)	(14,611)	(3,185)
Combined Language	6,975	6,110	6,769	3,253	23,107	5,223
Total segment contribution	$ 9,988	$ 8,481	$ 8,856	$ 5,877	$ 33,202	$ 8,040
Segment contribution margin percentage:						
Literacy segment	20%	16%	13%	15%	16%	16%
E&E Language segment	42%	40%	40%	37%	40%	41%
Consumer Language segment	30%	22%	26%	17%	24%	18%
Combined Language	23%	20%	23%	11%	19%	18%